

## Message Text

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46

ACTION XMB-04

INFO OCT-01 ARA-06 ISO-00 EB-07 COME-00 TRSE-00 OPIC-03

AID-05 CIAE-00 INR-07 NSAE-00 EUR-12 /045 W

----- 036905

R 312000Z JUL 75

FM AMEMBASSY KINGSTON

TO SECSTATE WASHDC 8438

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E.O. 11652: N/A

TAGS: BEXP, ECRE, JM

SUBJECT: JAMAICA PUBLIC SERVICE - STATUS OF PROJECTS AND  
PLANS

REF: (A) KINGSTON 2534; (B) A-77, MAY 15, 1975; (C) A-200,  
NOV. 21, 1974; (D) JAN. 2, 1975 EXIM BANK MEMO TO BOARD OF  
DIRECTORS COVERING HUNTS BAY NO. 7 PLANT; (E) KINGSTON 102

PLEASE PASS EXIM BANK

1. ON JULY 29, COMOFF INFORMED BY JPS FINANCIAL COMPTROLLER  
OF STATUS JPS PROJECTS AND PLANS.

A) HUNTS BAY NO. 7 STEAM POWER PLANT (REF. A): BIDS FOR  
THIS PROJECT STILL UNDER CONSIDERATION. JPS DISAPPOINTED  
AT FINANCING TERMS FROM ALL BIDDERS, WHO GENERALLY WERE  
UNABLE TO OFFER THE LONGER PERIODS OF REPAYMENT TYPICAL OF  
LOANS IN THE PAST. JPS WOULD LIKE A MINIMUM OF 17 YEARS TO  
REPAY LOAN AND DEPRECIATE STEAM POWER PLANT OVER 25 YEARS.  
(NOTE: IN EARLIER DISCUSSION WITH EXPATRIATE ENGINEER  
EMPLOYED WITH COMSTOCK, THE CANADIAN CONSULTING FIRM FOR  
JPS, EMBASSY UNDERSTOOD THAT OUT OF ALL BIDS, BROWN BOVERI  
OF SWITZERLAND WAS LOWEST. NEVERTHELESS, ACTUAL  
AWARD WILL PROBABLY GO TO BIDDER OFFERING BEST FINANCING  
TERMS.)

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B) (REF. B) WELLS FARGO \$4 MILLION LOAN UNDER STUDY BY

GOJ LAWYERS. PROPOSAL TO PROVIDE GOJ GUARANTEE FOR LOAN MUST STILL BE TABLED IN JAMAICAN HOUSE OF REPRESENTATIVES FOR APPROVAL.

C) (REF. C) JPS STILL AWAITS FAVORABLE IDB DECISION REGARDING ITS REQUEST FOR \$20 MILLION LOAN FOR RUAL ELECTRIFICATION.

D) JPS WILL LIFT FUEL SUBSIDY INTRODUCED IN OCTOBER 1974 WHICH WAS DESIGNED TO SOFTEN IMPACT OF ELECTRIC COSTS TO THE CONSUMER. SUBSIDY WILL BE LIFTED, ONE HALF ON JULY 1, 1975 AND OTHER HALF ON APRIL 1, 1976. TOTAL COST OF SUBSIDY WAS J\$10 MILLION PER YEAR.

2. IN ADDITION, JPS PURCHASING OFFICER INFORMED COMOFF THAT (REF. E) T.O. HAD BROUGHT IN EXCELLENT PRICES AND PRODUCT LITERATURE NOW UNDER INTENSE EVALUATION BY JPS. JPS PURCHASING STAFF EXPECTS TO MAKE TRIP TO U.S. IN NEAR FUTURE TO PROCURE MATERIALS BEFORE ANTICIPATED STATESIDE DEMAND FROM RESURGENT U.S. ECONOMY FORCES PRICES UPWARD. ONE SALE, \$339,629.75 HAS ALREADY RESULTED FROM (REF. E) FOR ATLANTIC CREOSOTING INTERNATIONAL SALES CORP., P.O. BOX 1608, SAVANNAH, GEORGIA 31402.

3. FINALLY, JPS CONSIDERING POSSIBILITY OF STANDARDIZING ITS PURCHASES TO SIMPLIFY INVENTORY CONTROL AND SAVE MONEY. GERARD

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PUBLIC FACILITIES, PROGRAMS (PROJECTS), LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
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**Film Number:** D750266-0266  
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**Legacy Key:** link1975/newtext/t1975075/aaaaadul.tel  
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**Subject:** JAMAICA PUBLIC SERVICE - STATUS OF PROJECTS AND PLANS  
**TAGS:** BEXP, ECRE, JM  
**To:** STATE  
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